1. <u>INTRODUCTION</u>

The Town of Edgewood requests proposals from qualified offerers capable of providing financial advisory services primarily involving the sale of securities. Additional advisory services will be provided in assisting the Town in the evaluation of its financial resources.

2. BACKGROUND

The Town of Edgewood was incorporated in 1999 and is a municipality pursuant to the Constitution and laws of the State of New Mexico.

3. PURPOSE

The purpose of this Request for proposal (REP) is to solicit proposals from qualified, experienced financial advisors to assist and advise the Town in the sale of new issues of revenue and general obligation bonds and other municipal securities. Advisory services will include consultation on the structure, timing, terms and other similar matters concerning such issues. Additionally, advisory services will be needed to assist the Town in the evaluation of its financial resources and the development of its financing plans. The successful Offeror may also be requested to recommend legislative changes needed to improve the Town's financing capabilities. Offerors must have expertise as a financial advisor with respect to tax-exempt bonds and other securities and expertise regarding federal, state and local financing laws and other laws and regulations that affect the Town and the issues.

The initial contract will become effective once approved by the Town, and shall be performed for a period of one (1) year. The Town reserves the right to exercise the option to extend this Agreement for up to three (3) additional twelve (12) month periods or any part of a twelve (12) month period for a maximum term not-to-exceed four (4) years.

4. SCOPE OF WORK

Professional services required to be provided under and to be incorporated into the contract to be awarded pursuant to this REP include, but are not limited to the following:

<u>Survey of Financial Resources and Plan of Financing</u>: Conduct a survey of the financial resources available to the Town to determine the extent of financing options available. Recommend to the Town a financing plan based, on the analysis of the Town's current project financing program, which provides the Town with options for funding the five-year Capital Improvements Plan.

<u>Ratings</u>: Work with appropriate officials of the Town and state government to provide rating companies with whatever information may be required with regard to bonds to be issued. Assist in presentations to rating agencies as may be required. Accompany appropriate officials to meetings with the rating agencies. Make all efforts to take all actions to maintain or improve the credit ratings of the Town. Develop a plan for upgrading the Town's bond rating.

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Official Statement and Related Documents: With assistance from bond counsel for the Town, prepare for review and approval by the Town a preliminary and final official statement relating to any bonds to be offered for sale to prospective buyers of the bonds. Arrange for distribution of the preliminary official statements and official statements to a comprehensive list of prospective underwriters, bank and financial institutions.

Prepare bid forms, which conform to the standards in the municipal securities industry upon which all bids will be solicited.

At times reasonably in advance of the proposed sale, consult with and advise the Town concerning advertising, information to prospective underwriters, purchasers and buyers, the provision of information to financial journals and investment ratings services, and similar measures designed to stimulate and broaden the interest in the bonds proposed to be sold. After and in accordance with such consultation, contract underwriters, institutions, financial publications and ratings services to the extent that such contracts are deemed beneficial to the interest of the Town. Advise the Town prior to any sale as to the advisability of information meetings, tours and inspections, and if such meetings or tours are recommended or approved, assist in the presentation of financial information on such occasions including those associated with the rating agencies.

Furnish the Town with a reasonable supply of such documents and mail a set of the same to all prospective Offerors.

Assist the Town in complying with reporting requirements under Securities and Exchange Commission Rule 1 5c2-1 2.

<u>Cooperation with Legal Counsel</u>: Cooperate with legal counsel for the Town in the preparation and adoption of all necessary resolutions, notices, certificates and the publishing of all legal notices and the happening of any other events required for the successful sale, issuance and delivery of the bonds.

<u>Sale, Award of Bonds, Issuance</u>: Be represented at the sale by experienced personnel whose services will be available to the Town in the tabulation and comparison of bids, Upon acceptance of a bid, coordinate the efforts of all parties toward payment and delivery of the bonds as expeditiously as possible.

<u>Meetings of the Town and Other Services</u>: Attend meetings of the Town and be available to Town staff and other legal counsel whenever requested. Be available to assist in the preparation and review of legislation affecting the Town and project financing and to testify, if requested, at legislative committee meetings regarding proposed legislation.

PROPOSAL CONTENTS

- A. <u>Letter of introduction</u>: Provide the following information:
 - 1. Table of Contents.
 - 2. Identify Offerer; address and telephone number.
 - 3. Statement that the proposal is effective for GO days from proposal due date.
 - 4. Statement that the Offeror will comply with all terms and conditions as stated in this REP; or identify any exceptions taken to any of the requirements.

NOTE: NO COST INFORMATION WHATSOEVER shall be included in the Technical Proposal.

- B. <u>Resumes</u>: Names and resumes of key personnel to be assigned to the performance of the contract. Resumes describing the qualifications of personnel to be utilized in the performance of the contract must show, at minimum, the persons name, education, position, and total years and types of experience relevant to the performance of the contract.
- C. <u>Knowledge and Experience</u>: A detailed description of the Offeror's knowledge and experience with respect to the issuance and sale of revenue, general obligation or similar bonds or other obligations, including a description of at least four recent revenue or general obligation bond transactions performed, including the type and size of the bonds in each transaction. Include a copy of the official statement for each transaction and summary of significant structural features.
- D. <u>Technical Capability</u>: A detailed description of the Offerors technical capabilities for the issuance and sale of taxable or tax-exempt bonds; e.g., the ability to prepare voluminous documents in a timely manner; expertise and administrative support.
- E. <u>Pairing of Firms</u>: State Offeror's willingness to be paired with another firm (e.g., National firm, New Mexico firm, women-owned firm, minority-owned firm etc.) chosen by the Town in order to provide the Town with the best representation possible. If there is (are) one or more firm(s) with which you would suggest such an arrangement, please identify the firm(s) describe the details of the arrangement, including the work to be performed by each firm.

ANY USE OF SUBCONTRACTORS MUST BE IDENTIFIED IN THE TECHNICAL PROPOSAL. The Contractor shall not subcontract any portion of the services to be performed under this Agreement without prior written approval of the Town.

- F. <u>References</u>: List of three (3) references to include Company Name, Phone Number, and Contact Person for the offeror's work as financial advisor on public finance issues,
- G. <u>Disclosure Representation</u>: Statement disclosing (1) any political contribution or gift valued in excess of \$250 (singularly or in time aggregate), made by the Offeror to any elected official of the Town in the last two (2) years; (U) any current or proposed business transaction between the Offeror and nay member, officer or employee of the Town; and (Ui) any other conflict or potential conflict which may give rise to a claim of conflict of interest.

H. <u>Service Proposal</u>: Proposal for delivering services, including organization of responsibilities, work plan, approach and availability of personnel for consultation and discussion as necessary to serve the needs of the Town.

<u>Locations</u>: Location of the Offeror's main office and the location of the Offeror's branch office, which will service the Town.

COST PROPOSAL FORMAT

The Cost Proposal shall contain the following information:

- A. Fees Charged for Services Rendered: Identify all fees charged for (i) services rendered under the contract pursuant to Section 4 of this RFP, as set forth in this proposal for revenue or general obligation bonds, refunding bonds and any other type of security to be paid only when the securities are issued, (U) services rendered under the contract pursuant to Section 4 of this REP, as set forth in its proposal for revenue or general obligation bonds, refunding bonds and any other type of security to be paid when the securities are not issued, and (Hi) any fees for the use of subcontractor(s).
 - 1. Fees shall be set forth in a graduated schedule showing dollars per thousand for revenue, general obligation and refunding bonds or other securities.
 - 2. Specifically identify what fees would be payable in the event a proposed issue was not successfully completed.
 - 3. Identify the hourly rates for service relating to advice or services performed which are not related to the issuance of a specific obligation as discussed under Section 8 of this RFP.
 - 4. Provide information regarding the Offeror's ability to provide detailed monthly billings summarized by subject matter. Offerors will submit a sample-itemized bill.
 - 5. Identify all of the Offeror's employees and their specific areas, including advisors, assistants and support staff who are to work on the Town's matters (with their associated fees, as appropriate).
 - 6. Statement whether the Offeror's proposed rates are the best offered by the Offeror to any client.
 - 7. Identify any matters that could be charged on a flat rate fee basis. Provide the associated rate schedules.
 - B. Reimbursement of Costs: Identify all reimbursable items, in addition to the fees set forth in paragraph 6 above, chargeable for costs incurred incident to the issuance of the bonds, including feasibility studies, the preparation, printing and mailing of official offering documents, presentations to rating agencies, any special audit costs, travel costs to attend meetings, and travel costs to attend closings. Reimbursement for the expenses of

Transportation, lodging, and meals incurred while on travel related to ratings or closings will be made only for amounts on receipts and itemized statements satisfactory to the Town. If requested by the Director of Finance, a detailed estimate of all items for which the successful Offeror will request reimbursement will be provided to the Town in advance of actual expenditures.

Specifically, provide a schedule for standard expenses such as per page copying charges, facsimile transmissions, over-night mail expenses and word processing charges and a description of all other charges that would be billed to the Town under the contract, such as mileage and travel expenses, and a statement as to when miscellaneous charges would be imposed.

- C. <u>Other Information</u>: In preparing the Offeror's proposed fee structure, please take note of the following:
 - The Offeror must attend closings and must attend meetings of the Town in the State as requested by the Town. Fees transportation and other costs associated with attending such closings or attending other meetings must be included in the Offeror's cost proposal.
 - The Offeror must give the Town a four (4) year commitment on the rate schedule offered.
 - 3. The Town will pay the successful Offeror for its gross receipts tax paid to the State Taxation and revenue Department on the amounts paid under the contract. No payment of fees or reimbursement will be made by the Town except upon receipt of a detailed, certified statement of account.

7. PAYMENT FOR SERVICES RENDERED

All services provided by the successful Offeror under Section 4 of this RFP will be paid by the Town (i) upon issuance of bonds or other securities or (U) at the discretion of the Town, in the event securities are not issued, at a rate agreed upon by the Offeror provided substantial work was performed and only from the funds authorized by the Governing Body for the payment of fees incident to the issuance of such securities and no additional fee will be paid by the Town except as provided in Section 6 of this RFP.

8. ADDITIONAL RELATED SERVICES

In the event the Town determines it appropriate for the successful Offeror to perform duties in addition to duties related to the issuance of securities by the Town, those duties will be set forth in a written amendment to the contract. While the Town will consider whether separate compensation may be provided for the services, the compensation under such an amendment is contingent upon sufficient appropriations and authorization by the Governing Body.

9. EVALUATION CRITERIA

The Town will award a contract to the Offerer whose proposal is most advantageous to the Town. A serious deficiency in any one category may be grounds for rejection. The Town reserves the right to reject any or all proposals.

All proposals will be reviewed for compliance with the requirements as described with this RFP. Proposals deemed non-responsive will be eliminated from further competition.

THE TOWN RESERVES THE RIGHT TO AWARD A CONTRACT ON THE BASIS OF PROPOSALS ONLY OR MAY REQUIRE SELECTED OFFERORS TO BE INTERVIEWED.

1. Experience and Capability. Offeror's skill, knowledge and experience (i) in the issuance of taxable and tax-exempt bonds; (U) regarding disclosure requirements under Securities and Exchange Commission rule 1 5c2-1 2; (Ui) in developing innovative financing strategies, including knowledge of relevant federal state and local laws, familiarity with alternative financing methods that could be used by the Town, and knowledge of how these financing techniques are being used by other issuers in New Mexico and else where. Relevant experience and qualifications of persons who will perform the duties will be considered under this evaluation factor.

Maximum Points: 45

Responsiveness to the Town and Technical Capability. The Town's perception of Offeror's ability to deliver timely, quality services that promote the Town's interest and the Offeror's availability for consultation and discussion with Department of Finance staff, other officers of the Town and the Governing Body. Factors to be considered include the Offeror's technical capability to structure and bring to market taxable and tax-exempt bonds, including the preparation of documents, the availability of support services, such as research, publications, economic publications and forecasts and other financial services, the offeror's office hours and the hours during which the Offeror can be reached by telephone.

Maximum Points: 25

3. Cost

Maximum Points: 30

MAXIMUM POINTS 100

Other: The Town will have the right to obtain, from any and all public sources, information concerning the Offeror which the Town determines is pertinent to this RFP and to consider such information in the evaluation of the Offeror's proposal.

The Evaluation Committee convened by the Town Administrator will score technical proposals. The technical evaluation will be completed without reference to cost proposals. Once the technical evaluation is complete, it will be recorded and submitted to the Senior Buyer. Procurement Office staff will then open the Cost Proposals and measure their points. Next, Procurement Office staff will combine the technical and cost scores.

The cost portion of the score will be computed with the Offeror having the lowest aggregate cost receiving the full thirty (30) points, and the other cost proposals being given proportional scores as mathematically compared to the lowest cost firm. No cost score shall be less than one (1).

10. <u>INVOICING AND PAYMENT</u>

The contractor will be expected to submit invoices on a monthly basis providing a detailed account of services rendered, plus the applicable gross receipts and local option taxes. The Town shall be given adequate opportunity to review and question the invoices and shall make payment of authorized statements in (30) days of receipt of a certified invoice.

11. LOCAL AND RESIDENT PREFERENCE

Local and Resident Preference: A five (5%) preference may be afforded an Offeror who qualifies as a local Offeror in accordance with the Town's Procurement Code. Preference will be applied in accordance with the provisions of the Town's Procurement Code in the following priority: (1) Local Businesses; and (2) Resident Businesses. A maximum preference of five percent (5%) will be afforded any one offer.

Information regarding the Town's Procurement Code and the application of the local and resident preference can be obtained by contacting the Purchasing Division at (505) 896-8762.

For consideration for the local preference, the Offeror must complete the Resident/Local Preference Certification Form in accordance with the instructions and return the form with its Technical Proposal.

12. PROPOSAL REQUIREMENTS AND SUBMISSION, INSTRUCTIONS TO OFFERORS

A. Proposal Due Date: FRIDAY, JULY 13, 2007 @ 4:00 P.M.

Submit <u>1</u> Original and <u>4</u> copies of your Technical Proposal Submit <u>1</u> Original and <u>1</u> copy of your Cost Proposal

B. TECHNICAL AND COST PROPOSALS MUST BE IN SEPARATE, SEALED ENVELOPES.

Envelope Preparation: The envelopes/packages containing an offer must be sealed and the following identifying information legibly written or typed on the outside.

- · Name of Offeror
- REP Number assigned by the Town to the Request
- Due date as identified on the Request or subsequent addenda
- Contents enclosed (e.g., Technical or Cost Proposal)

13 PURCHASING OFFICE

This RFP issued on behalf of the Town of Edgewood by the Purchasing Office, which is the sole point of contact during the procurement process.

Communications initiated by Offerors with Members of the Governing Body or Town personnel, other than as coordinated by Purchasing Office Staff, shall be grounds for Offeror disgualification.

Any inquires or requests regarding this procurement shall be submitted to the following Point of Contact in writing:

Town of Edgewood P.O. Box 3610 1911 Old Highway 66 Edgewood, New Mexico 87015 (505) 286-4518

14. ACCEPTANCE OF PROPOSAL

Acceptance of proposal is contingent upon the Offeror's certification and agreement by submittal of its offer, to comply and act in accordance with all provisions of the Town Procurement Code.

THAT IF NOT ALREADY REGISTERED TO ENGAGE IN BUSINESS IN THE TOWN OF EDGEWOOD, THE SUCCESSFUL OFFEROR SHALL BE REQUIRED TO APPLY TO THE TOWN AND PAY A BUSINESS REGISTRATION FEE AS STIPULATED IN TOWN ORDINANCES, PRIOR TO RECEIVING A CONTRACT UNDER THIS BID.

15. REQUEST FOR EXPLANATIONS BY OFFERORS

Any explanation desired by the Offeror regarding the meaning or interpretation of specifications or any part of this Request must be requested in writing and received in the Purchasing Office not less than ten (10) working days before the offer due date.

Oral explanations or instructions given prior to the opening of the offer shall not be binding. The purchasing Office shall issue any official explanations, in writing.

16. CLARIFICATION OF OFFERS

The Town may, in evaluation of offers, request clarification from Offerors regarding their offers, obtain additional material or literature, and pursue other avenues of research as necessary to ensure that a thorough evaluation is conducted,

17. SUBMISSION OF OFFER

- A. <u>Time:</u> Offers not received by the time and date indicated on the Request will not be accepted.
- B. <u>Hand Carried</u>: Offers may be hand carried to the Town of Edgewood, 1911 Old Highway 66, Edgewood, New Mexico.
- C. <u>Mailed</u>: Offers may be mailed to the Town of Edgewood, P.O. Box 3610, Edgewood, New Mexico 87015. The Town shall not be responsible for offers that are mailed and not received by the opening date and time specified in the solicitation.
- D. <u>Receipts</u>: Receipts for hand delivered offers shall be issued by the Town of Edgewood (upon request) for offers, which are hand carried.
- E. <u>No Other Methods of Offer Delivery</u>: Neither telephone, telegraphic, nor facsimile offer shall be accepted.

18. MODIFICATION

Offers may be modified or withdrawn by written notice provided such notices is received prior to the hour and the date specified for receipt of offers.

19. ACKNOWLEDGMENT OF AMENDMENTS TO THE REQUEST FOR PROPOSALS

Receipt of an addendum to the RFP by an Offeror must be acknowledged either: (a) by signing and returning the addendum or (b) by letter. Such acknowledgment may be submitted with your offer. This acknowledgment must be received prior to the hour and date specified for receipt of offers.

20. WITHDRAWAL OF OFFERS

An offer may be withdrawn in person at any time BEFORE the scheduled opening of offers, provided a receipt for the withdraw offer is signed by the Offeror or the Offeror's authorized representative. The Town reserves the right to request proof of authorization to withdraw an offer.

21. PROPOSAL PREPARATION EXPENSES

Offerors shall prepare and develop proposals at the sole cost and expense of the Offeror.